



State of Idaho

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Executive Office of the Governor

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MEMORANDUM

TO: Agency Directors

FROM: Brad Foltman, Administrator

SUBJECT: *Executive Agency Legislation Process*

We have attached a copy of the *Executive Agency Legislation Process* to this memo to assist your agency in the mechanics of drafting legislation. Please distribute this document to those in your agency that are responsible for drafting legislation. If you have questions, please contact your DFM analyst.

- The automated Executive Agency Legislative System (EALS) can be accessed at <http://apps.dfm.idaho.gov/eals>. If you need a user ID and password please contact Anita Hamann at ahamann@dfm.idaho.gov or call 854-3052.
- Please pay special attention to the Fiscal Note Statement. This will include the impact on local government and all state funds, not just the General Fund. In addition, please review page 8 "Guide for Fiscal Notes."
- When drafting proposals, the Statement of Purpose and the Fiscal Note Statement should be written exactly as it will appear on the attachment to the actual bill.
- Please send your final version of your proposal, no drafts or work in progress.

DUE DATES FOR 2006

August 4	Legislative Idea Forms are due to DFM.
August	The Governor's office and DFM will review the Idea Forms.
September 1	Agencies will be notified via e-mail, of approval or disapproval of ideas.
September 22	Proposed legislation is due to DFM – Legislation Proposal Form and Statement of Purpose/Fiscal Note.
October 9	Proposed legislation is due to LSO.
October 31	Bills returned to agency for review and final changes.
December 1	Final date for any changes to legislation.
January	All approved legislation is delivered to the House and Senate the first week of January.

Executive Agency Legislation Process

Prepared by

Division of Financial Management
Executive Office of the Governor
State of Idaho
June 2006

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INTRODUCTION

This document is designed to assist agencies with the mechanics of drafting legislation.

Agency legislation proposals are reviewed by DFM and the Governor's Office to determine consistency with gubernatorial policies and impact on other state agencies and the general public. This review culminates in the development of the executive agency legislation package. Elected officials, legislative, and judicial branches of state government are not required to participate in this process.

Following each legislative session, agencies must review their appropriations and determine the budget and legislation needs to be addressed by the next Legislature. Assistance in developing legislation is available from DFM staff, the Governor's Policy Advisors, and the Legislative Services Office.

The first issue to be considered when proposing legislation is to **determine if a need really exists**. Agencies should consider the following:

- Can the proposal be implemented through administrative action, rulemaking, executive order, etc., without legislation?
- Background:
 - What need does the proposed legislation address?
 - What are the advantages and disadvantages of the proposed legislation? Who will benefit?
 - What will happen if the proposed legislation is not introduced or does not pass?
- Support:
 - Which interest groups will support or oppose the proposed legislation?
 - What individual/agency initiated the legislation?
 - Who has been involved in drafting the legislation?
 - Have there been public hearings or other public involvement?

Ideas for legislation proposals should be reviewed with the Governor's Policy Advisors, DFM Analysts, interested Legislators, and affected citizen groups during the summer with assurance given that *"these are tentative ideas and are only in the form of possible recommendations."* Agency legal staff may coordinate with the Attorney General's Office to address possible ramifications and specific issues prior to actually drafting and introducing legislation.

An online Executive Agency Legislative System (EALS) has been developed for agencies to use to input their Legislative Ideas and Proposals. EALS can be accessed at <http://apps.dfm.idaho.gov/>. If you need to be set up with a user id and password for the system please contact Anita Hamann at 854-3052 or email ahamann@dfm.idaho.gov.

AN OVERVIEW OF THE PROCESS AND SUBMITTAL DEADLINES

This overview (August through January) should give you an idea of how legislation is developed and the procedures and deadlines that must be followed. Please note that language should be kept as simple as possible (i.e., legislation will be read and re-read by several individuals who must readily come to an agreement on what that legislation specifies — the less complicated it is, the easier it is to understand, and the better its chances of passage).

August

Ideas for proposed legislation are required from each agency by **August 5th**. A meeting between the Governor and DFM staff is held in August to review ideas and determine suitable approaches for further development. ***DFM will notify agency directors if they will need to attend this meeting.***

The online Executive Agency Legislative System will allow you to input your ideas and submit them electronically to DFM – ONE idea per form.

September

DFM will notify agencies of approval or disapproval of their ideas via e-mail. Notification will include its assigned EALS tracking number.

Once ideas are approved, agencies may begin working on their proposed legislation. All approved proposed legislation must be submitted to DFM by **September 22**. Proposed legislation is subject to final approval by the Governor's Office.

When submitted, each proposal will include the following:

- **The Legislation Proposal Form** — a copy of the online form can be found on page 6.
- **The Statement of Purpose** — a concise statement describing the purpose of the proposed legislation. See page 5 instructions.
- **Fiscal Note** — an estimate of the amount of revenue or expenditure (for all funds) the proposed legislation would incur if enacted. See page 5 for instructions.
- **The Legislation Text** — a proposed amendment to the *Idaho Code*, or an addition to the *Idaho Code*. Make sure to attach your final version, no drafts or work in progress. See detailed information beginning on page 10 regarding drafting legislation text.

September through December

When agencies submit proposed legislation to DFM, the Governor's Policy Advisor and the DFM Analyst review each proposal to ensure consistency with the approved idea. Upon final approval, DFM submits the proposals to the Legislative Services Office.

The Legislative Services Office reviews and drafts each proposal in actual bill format with an assigned Routing Slip (RS) number (an identification number used by the Legislative Services Office while the document is in proposal stages). Proposed legislation is identified by this RS number until it is introduced and receives a House or Senate Bill number.

DFM receives an RS packet from the Legislative Services Office and forwards the agency a copy of the RS'd legislation for review. The agency may make changes to the RS'd legislation or approve it.

After an RS'd proposal is approved by the authoring agency, RS packets will be distributed to House and Senate Committees at the beginning of the legislative session.

January

During the first week of the session, all RS'd legislation is delivered to the House of Representatives or the Senate. The agency's preferred house of origin and committee are noted on the outside of each legislation packet, as well as a contact person and phone number.

The agency's designated contact person will be notified by a committee secretary (House or Senate) to appear before the committee when the proposed legislation is under consideration.

IF YOU ARE ASKED TO ASSIST . . .

Agency personnel may be asked to assist in drafting, or to testify on, legislation that was not reviewed during the legislation development process. These situations can generate sensitivities among agencies, program administrators, legislators and interest groups. To minimize confusion and facilitate coordination within the executive branch, agencies are asked to notify their DFM Analyst with the following information: *(Note: This notification is not necessary for agency legislation already approved by DFM and the Governor's Office.)*

- Name of legislator or interest group representatives who are requesting assistance in drafting or testifying on legislation.
- If the proposal does not have a bill number, please provide subject matter, agencies/programs affected, agency contact person, and fiscal impact (if known). If the legislation has a bill number, please reference it and all other related items.

SUBMITTING IDEAS

Ideas for proposed legislation must be submitted to DFM for review with the Governor's Office. A Legislation Idea Submittal Form has been designed to aid the review process. Use one form per idea. The form can be accessed by the online EALS. Please make sure that it is filled out completely.

This Legislation Idea Submittal Form is not a submittal of proposed legislation. The purpose is to advise the Governor and DFM of agency concerns and help create a checklist of proposals to be submitted in October for processing through the Legislative Services Office.

No proposed legislation will be processed unless a Legislation Idea Submittal form has been submitted and approved.

Ideas submitted after the August deadline, including the following legislative session, must have the approval of the Governor's Office before submitting to DFM.

The screenshot shows a web browser window titled "Executive Agency Legislative System - Microsoft Internet Explorer". The address bar shows "http://164.165.8.66/eals/Main.aspx". The form is titled "Idea" and has tabs for "Proposal SOP" and "Reports".

The form contains the following fields and sections:

- EALS #:** 450-03
- Status:** Draft 05/04/05, 10:29 AM
- DFM Analyst:** Maria Barratt
- Agency:** Building Safety
- Policy Advisor:** David Lehman
- Title:** Amend Building Safety Inspection Code
- Contact 1:** Munroe, Dave (New ...), Phone: 208-332-7100, E-Mail: dmunroe@dbs.state.id.us
- Contact 2:** Wallace, Shauna (New ...), Phone: 208-332-7102, E-Mail: swallace@dbs.state.id.us
- Has this or a similar idea been submitted in the past three years?** ☐ Yes ☒ No
- If "yes", please state the year and bill number:** [Empty field]
- Brief description of legislative idea and how it will "solve the problem":**
Briefly describe the legislative idea and how it will solve the problem.
- Fiscal impact of legislative idea:**
A fiscal note estimating the amount of revenue or expenditure (all funds) the proposed legislation would incur.

At the bottom of the form are buttons: Create Idea, Save Idea, Delete Idea, Submit, Spell Check, and Logout.

A status bar at the bottom of the browser window indicates: "Idea has successfully been saved as EALS# 450-03".

THE LEGISLATION PROPOSAL FORM

This form is a critical information tool and a copy must be filled out completely.

Detailed instructions for filling out this online form can be accessed at http://dfm.idaho.gov/st_agency_guide/legis_info.html.

Please make sure when you submit your proposal to DFM it is the final version – not a draft.

Executive Agency Legislative System - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <http://164.165.8.66/eals/EALSMain.aspx> Go Links

Idea Proposal SOP Reports

EALS #: 260-02 Status: PA Approved 10/25/04 DFM Analyst: Larry Schlicht
RS 14472 C Agency: Fish and Game, Dept. of Policy Advisor: Lance Giles

Title: [Chande Definition of Flagrant Violations](#) Agency: Fish and Game, Dept. of Tracking ...

Contact 1: Barton, Steve New ... Phone: 287-2798 E-Mail: sbarton@idfg.state.id.us

Contact 2: New ... Phone: E-Mail:

Preferred house of origin and Committee: S Res/Env

Statement of Purpose Please upload proposal before submitting Upload ...

Many overt poaching incidents that are obviously flagrant acts by any other definition of "flagrancy" will be treated as if they were simple violations. The change will close a loop hole that enables poachers that have committed an overt, intentional act of poaching to be treated the same in court as a violator that committed much less of an intentional act.

Fiscal impact of legislative idea:

Minimal if any fiscal impact. The sportsmen of Idaho will be positively affected by stiffer penalties for serious offenders. Violators may think twice about poaching.

Logout

Proposal data loaded. Internet

Each agency is required to **identify a preferred house of origin and committee**. A list of legislative committees can be found on page 7. The agency's DFM Analyst can help determine which committee might best consider proposed legislation if the agency is unsure.

A **Statement of Purpose** is a brief description of the purpose of the legislation proposal — it should answer the question "What is this legislation trying to accomplish?" The Statement of Purpose must be written exactly as it will appear on the attachment to the actual bill.

A **Fiscal Note** is a statement estimating the amount of revenue or expenditure (all funds) the proposed legislation would incur.

A fiscal note must be written exactly as it will appear on the attachment to the actual bill. A fiscal note must be precise and include impacts for all funds — use of such terms as "minimal" or "undetermined" are inadequate and will be rejected.

Be sure to give your agency's fiscal officer any information pertaining to proposed legislation that affects your agency's operating budget (revenue, expenditure, or both) — this information must be shown in the budget request

A copy of the SOP/FN will be returned to agencies along with their RS'd legislation for review. When agencies approve their RS'd document they should also approve their SOP/FN. *Changes made to the RS may also affect the SOP/FN, remember to update that information if necessary.*

SENATE COMMITTEES

Agricultural Affairs
Commerce and Human Resources
Education
Finance*
Health and Welfare
Judiciary and Rules*
Local Government and Taxation
Resources and Environment
State Affairs*
Transportation

HOUSE COMMITTEES

Agricultural Affairs
Appropriations*
Business
Commerce and Human Resources
Education*
Environment, Energy and Technology
Health and Welfare
Judiciary, Rules and Administration
Local Government
Resources and Conservation
Revenue and Taxation*
State Affairs*
Transportation and Defense
Ways and Means*

*Privileged Committees

Idaho Legislature GUIDE FOR FISCAL NOTES

JOINT RULE 18: Statement of Purpose and Fiscal Notes. --No bill shall be introduced in either House unless it shall have attached thereto a concise statement of purpose and fiscal note. The contact person for the statement of purpose and fiscal note shall be identified on the document. No bill making an appropriation, increasing or decreasing existing appropriations, or requiring a future appropriation, or increasing or decreasing revenues of the state or any unit of local government, or requiring a significant expenditure of funds by the state or a unit of local government, shall be introduced unless it shall have attached thereto a fiscal note. This note shall contain an estimate of the amount of such appropriation, expenditure or change under the bill. The fiscal note shall identify a full fiscal year's impact of the legislation. Statements of purpose and fiscal notes may be combined in the same statement. All statements of purpose and fiscal notes shall be reviewed for compliance with this rule by the committee to which the bill is assigned. A member may challenge the sufficiency of a statement of purpose or fiscal note at any time prior to passage, except upon introduction.

1. The contact person must be included on the statement of purpose and fiscal note. While not required by Joint Rule 18, listing the telephone number for the contact person is helpful.
2. The fiscal note should address the impact to the General Fund in dollar terms, not exclusively in statements of general economic benefit. If there is no impact to the General Fund, then the note should so state this.
3. The note should address the fiscal impact on any other state fund or expenditure, not just the General Fund or General Fund programs.
4. Remember, Joint Rule 18 applies to fiscal impacts on local government as well.
5. The note should identify the fiscal impact of at least one full fiscal year (not calendar year), and care should be given to understanding the fiscal impact of legislation that is phased in or has changing requirements over more than one fiscal year.
6. Fiscal impacts should be concise--not exceed one page and may be included on the same page as the statement of purpose--and address the total fiscal impact of the legislation, not just the mathematics of the changes, e.g. a fiscal impact that changes the grocery credit from \$15 to \$30 for an estimated 500,000 income tax filers should state: "Fiscal Impact to state General Fund revenues is an estimated loss of \$7,500,000 from individual income tax collections for FY 2004," as opposed to a statement like, "an additional credit of \$15 per filer would benefit 500,000 filers by doubling their refund of sales tax paid on groceries, which amounts to another \$300 worth of groceries that could be purchased tax free."
7. Fiscal notes should identify the source of revenues or funds affected, e.g. corporate income tax, cigarette tax, mine license tax, etc., (or) Department of Commerce--Tourism Promotion Fund, etc. Referencing only the fund is often not sufficient to identify the tax or fee source that is impacted.
8. The committee to which the bill is assigned will review the statement of purpose and fiscal note to be sure that they meet the above requirements.

DRAFTING TEXT OF PROPOSED LEGISLATION

The Legislative Services Office has drafters available during the summer months (June, July, and August) to review legislation in preparation for the October submittal date.

All legislation should have:

- A centered heading;
- A title in capital letters listing each *Code* section amended, added, or repealed with a brief description of the change;
- An enacting clause;
- A section or sections.

Writing a Title:

The title must agree with the body of the bill.

Titles are printed in ALL CAPS. *Except if the section of the Code being amended contains a lower-case letter (63-302a), be sure the letter does not get capitalized.*

All sections of the *Code* or *Session Laws* being amended must be referenced in the title.

Phrases pertaining to one section should be set off by commas and a semicolon should punctuate the material between sections.

Do not use the double number system — twenty (20) years — in the title.

The word "striking" or "deleting" should be used to indicate material that is to be deleted from the *Code*.

If there is an effective date, emergency clause, severability, etc., in the body, be sure this information is included in the title.

Amending the Code:

If an agency plans to amend the *Idaho Code*, the Legislative Services Office can provide double- or triple-spaced copies of existing statutes or the agency can photocopy the section that needs amending. **DO NOT RETYPE THE CODE.** Sections of the *Idaho Code* can also be downloaded from the Internet at <http://www.legislature.idaho.gov/>. If you need several sections for amendment, please contact LSO and they will download them for you. Please contact Carol Green (cgreen@lso.idaho.gov) or Toni Hobbs (thobbs@lso.idaho.gov) to get the download. If the changes are extensive, mark the copy with "Insert 1" (or something similar) and type out the changes on a separate piece of paper labeled "Insert 1." If a major overhaul of the existing statute is required, call the Legislative Services Office for help determining the best way to proceed.

Always check the pocket supplement in the back of the *Code* first to make sure the most recent version of the section is being amended.

Material to be deleted should be struck through (a single line through each word — include punctuation which is to be deleted).

There should be a new section of the bill for each *Code* section amended, added or repealed.

If you are making changes to consecutive sections of Code, you must make sure that all changes are included in ONE PIECE OF LEGISLATION. The only exception to this might be if a certain section contained a controversial fiscal impact that might affect passage of the entire bill.

Asterisks in the *Code* are to be ignored.

Italics in the *Code* should be treated as regular printing.

Adding a New Section to the Code:

If the legislation adds a new section to the existing *Code*, the number must follow one already in the *Code*. Do not use a number currently used in the *Code*.

Proposed legislation must be clear and understandable in and of itself, so that "Legislative Intent" is not necessary.

A heading or subtitle should be provided (in capital letters) for each new *Code* number.

Using the Laws of Other States:

Often, another state already has a law similar to what an agency is proposing. A copy of that law may be used as an edit copy. Be sure to incorporate all changes necessary to make the edit conform to Idaho law.

Phrases Used in Drafting Legislation:

- **Introductory clauses:**

For an Act: Be It Enacted by the Legislature of the State of Idaho:

For a Resolution: Be It Resolved by the Legislature of the State of Idaho:

For a Senate Joint Memorial: We, your Memorialists, the Senate and the House of Representatives of the State of Idaho assembled in the _____ Regular Session of the _____ Idaho Legislature, do hereby respectfully represent that:

For a House Joint Memorial: We, your Memorialists, the House of Representatives and the Senate of the State of Idaho assembled in the _____ Regular Session of the _____ Idaho Legislature, do hereby respectfully represent that:

- **To add a section:**

That Chapter __, Title __, Idaho Code, be, and the same is hereby amended by the addition thereto of a new section, to be known and designated as Section __, Idaho Code, and to read as follows:

- **To amend a section:**

That Section __, Idaho Code, be, and the same is hereby amended to read as follows:

- **To repeal a section:**

That Section __, Idaho Code, be, and the same is hereby repealed.

- **Severability clause:**

The provisions of this act are hereby declared to be severable and if any provision of this act or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of the remaining portion of this act.

- **Effective date:**

This act shall be in full force and effect on and after _____.

Legislation will become effective July 1 following the legislative session unless an emergency clause or other specification exists in the bill.

- **Emergency clause:**

An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval.

Emergency clauses have been overused; avoid them whenever possible, however, keep this clause in mind for retroactive action.

- **Retroactive effective date clause:**

An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval, and retroactively to January 1, 2007.

General Suggestions:

- When drafting legislation, remember that long sentences require greater thought; short ones are more easily read. Use a single word instead of a phrase when the same meaning can be expressed.
- Use punctuation sparingly and only to clarify a thought.
- Use common words that everyone will understand.
- Statutory usage requires lower case whenever possible. The Legislative Services Office has a standing rule that only the word Idaho is capped. Please do not ask the Legislative Services Office to make exceptions to this rule.
- The singular *always* includes plural.
- The masculine *always* includes feminine.
- Use the present tense of a verb rather than the future tense. Statutes should speak in the present tense.

Example: "THIS ACT APPLIES" rather than "This act shall apply."

- Avoid using "SUCH," "SAID," "AFORESAID," "DULY," "RESPECTIVELY." These clutter up sentences and do not clarify.
- "SHALL" is used to impose an enforceable duty and is generally mandatory.
- "MAY" is used to grant permission and is usually permissive.
- "IF" is usually better than "WHEREVER."
- "ANY" is usually more accurate than "EVERY."
- Never use "AND/OR." It has no definite meaning.

"AND" is a conjunction. If the legislative intent is that all requirements be fulfilled, where one or more requirements occur, then you should use "and."

"OR" is a disjunction. If the fulfillment of any one of several requirements is sufficient then the use of the disjunction "or" makes it clear.

- Spell out figures with letters together with figures (*except in a title*).

Example: "FIVE HUNDRED DOLLARS (\$500)."

- The position of a section may change by amendment or revision. Avoid using the words "HEREINAFTER," "HEREINBEFORE," "PRECEDING," or "FOLLOWING." It is better to refer to a section by its number.
- Use the word "DATE" not "time" when referring to a specific date.

MAKING CHANGES TO PROPOSALS

After the Legislative Services Office processes an agency's legislation proposal and assigns it an RS number, DFM receives an RS packet from the Legislative Services Office and forwards to the agency a copy of their RS'd legislation for review. The agency may make changes to the RS'd legislation or approve it.

If changes are desired, a timely response is critical. ***Constant changes and delays are not acceptable.***

If agencies choose to make changes to their RS'd legislation, they must edit a copy of the RS'd version. **DO NOT RETYPE THE RS.** The Legislative Services Office needs to be able to identify where changes have been made to avoid having to retype the entire document. The Legislative Services Office has the original on its computer system and only needs to enter the appropriate changes.

When an RS is changed, the Legislative Services Office adds the letter "C" to the end of the RS number to designate a change. The "C" is followed by the number of times it has been changed. For example: if RS 00100 were changed, the number would become RS 00100C1. If it was reviewed and then changed again, it would become RS 00100C2. Agencies need to make sure the SOP/FN information is updated (if necessary) when changes are made to an RS.

Changes start the process over (i.e., DFM delivers the proposal to the Legislative Services Office, they make the changes and deliver to DFM, DFM delivers to agency for approval). The agency should keep this in mind when making changes and allow for the necessary review and process time.

All transactions with the Legislative Services Office must go through DFM for tracking purposes. If you have a question or special situation, please call DFM.